

A Study on the Interest of Muslims towards Syariah Bank in Yogyakarta, Indonesia

Authors : Muhammad Hikmah

Abstract : Based on the population census in 2015, Indonesia consists of 254.9 millions of people, and 80% of them are Muslims (Data of Central Bureau of Statistic). Indonesia becomes the highest number of Muslims civilization in the world. The question would be, is the number of population proportional to the growth of Syariah transaction in Indonesia? It is going to be discussed in this research. The problem limitation of this research is in Syariah Banking. Therefore, Syariah transaction in this study is described as transaction only in Syariah Banking. The researcher focused on the study in Yogyakarta, a city in Indonesia. The development of Syariah Bank assets until January 2016, based on statistic data launched by Financial Services Authority (FSA), has increased Rp 287.44 trillion, however, a total amount of bank achieves Rp 6.198,15 trillions. It means that the assets of Syariah Bank are only 4.64% from the total amount of banking assets in Indonesia, though, Syariah Banking was first established in 1991, known as Bank Muamalat. As we can see that in these 25 years, Syariah Banking could only reach that number. Based on the press conference of FSA and Syariah Banking Exhibition iB Vaganza in 2015, the number of Syariah Bank's customers are under 10 millions. With 80% of Muslims, Syariah Bank is not able to be a market leader in Indonesia. This will be answered in this research, how much the interest if Muslims in Yogyakarta towards Syariah Bank compared to conventional bank. This study will be conducted in Yogyakarta. The sampling will represent to the muslims having good knowledge of Islam, such as dawn prayer worshipers in some mosques in Yogyakarta. There are some reasons why Indonesian muslims are not interested in Syariah Bank, such as the people do not put trust in Syariah Bank; there are some obligation where they work to have conventional bank; business matters services which is not covered by Syariah Bank where most of them are limited to the laws authorities; and there is no sufficient knowledge about the importance of syariah transaction from religion point of view. Each of them is going to be discussed in this research. The suggestions of this study are we should share our knowledge about Islamic transaction anywhere and we need to support Syariah Bank to have Syariah principles. For those who have the authority should be active as well to announce the rules of the constitution supporting the development of syariah transaction in order to be apply perfectly. We hope that trust from the people will increase, and we should provide Syariah Banking products which fulfill business needs. Finally, syariah transaction will be the solution for all people in the world in bussiness transaction.

Keywords : shariah, Islamic, banking, Indonesia

Conference Title : ICIBFI 2016 : International Conference on Islamic Banking, Finance and Investment

Conference Location : Paris, France

Conference Dates : September 26-27, 2016